

CITY OF DURHAM, NORTH CAROLINA
Comprehensive Annual Financial Report
Year Ended June 30, 2003

Table of Contents

<u>Exhibit:</u>		<u>Page:</u>
	<u>INTRODUCTORY SECTION</u>	
	GFOA Certificate of Achievement	ii
	Table of Contents	iii
	Organizational Chart	viii
	List of Elected and Appointed Officials	ix
	Letter of Transmittal	xi
	 <u>FINANCIAL SECTION</u>	
	Independent Auditor's Report	1
	Management's Discussion and Analysis	3
	Basic Financial Statements:	
	Government-wide Financial Statements:	
1	Statement of Net Assets	16
2	Statement of Activities	18
	Fund Financial Statements:	
3	Balance Sheet – Governmental Funds, including the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	20
4	Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	22
5	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
6	Statement of Revenues and Other Financing Sources, Expenditures and Other Financing Uses and Changes in Fund Balance – Annual Budget and Actual – General Fund	25
7	Statement of Net Assets – Proprietary Funds	26
8	Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds	30
9	Statement of Cash Flows – Proprietary Funds	34
10	Statement of Fiduciary Net Assets – Fiduciary Fund	40
11	Statement of Changes in Fiduciary Net Assets – Fiduciary Fund	41
	Index to Notes to the Financial Statements	43
	Notes to the Financial Statements	45

Table of Contents (continued)

<u>Exhibit:</u>		<u>Page:</u>
	Required Supplementary Information:	
12	Law Enforcement Officers' Special Separation Allowance – Schedule of Funding Progress	72
13	Law Enforcement Officers' Special Separation Allowance – Schedule of Employer Contributions	73
	Combining and Individual Fund Statements and Schedules:	
14	Combining Balance Sheet – Nonmajor Governmental Funds	76
15	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	77
16	Combining Balance Sheet – Nonmajor Special Revenue Funds	78
17	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	80
18	Special Revenue Fund – Community Development Block Grants Fund – Schedule of Revenues, Expenditures and Operating Transfers from Other Funds – Compared With Authorizations	82
19	Special Revenue Fund – Home Program Grants Fund – Schedule of Revenues, Expenditures and Operating Transfers from Other Funds – Compared with Authorizations	83
20	Special Revenue Fund – Employment and Training Grants Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Compared with Authorizations	84
21	Special Revenue Fund – FEMA Grants Fund – Schedule of Revenues, Expenditures, Operating Transfers from Other Funds and Changes in Fund Balance – Compared with Authorizations	86
22	Special Revenue Fund – Public Safety Grants Fund – Schedule of Revenues, Expenditures and Operating Transfers from Other Funds – Compared with Authorizations	88
23	Special Revenue Fund – Downtown Revitalization Fund – Schedule of Revenues, Expenditures Other Financing Source and Use and Changes in Fund Balance – Compared with Authorizations	90
24	Special Revenue Fund – Transit Investment Fund – Schedule of Revenues, Other Financing Source and Use and Changes in Fund Balances – Budget and Actual	91
25	Special Revenue Fund – Other Special Revenue Grants Fund – Schedule of Revenues, Expenditures and Operating Transfers From Other Funds – Compared with Authorizations	92
26	Combining Balance Sheet – Nonmajor Capital Projects Funds	94
27	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	96
28	Consolidated General Capital Projects Funds – Schedule of Revenues, Expenditures, Transfers and Other Financing Sources and Uses – Compared with Authorizations	98
29	Water and Sewer Operating Fund – Schedule of Revenues and Transfers – Compared to Budget (Modified Accrual Basis)	103

Table of Contents (continued)

<u>Exhibit:</u>		<u>Page:</u>
30	Water and Sewer Operating Fund – Schedule of Expenditures and Transfers – Compared to Budget (Modified Accrual Basis)	104
31	Water and Sewer Utility Construction Fund – Schedule of Revenues, Expenditures, Transfers and Other Financing Sources – Compared with Authorizations (Modified Accrual Basis)	106
32	Water and Sewer Capital Facilities Fee Fund – Schedule of Revenues and Other Financing (Use) Compared to Budget (Modified Accrual Basis)	108
33	Water and Sewer Grant Fund – Schedule of Revenues and Expenditures Compared to Budget (Modified Accrual Basis)	109
34	Water and Sewer Fund – Reconciliation of Modified Accrual to Full Accrual Basis	110
35	Parking Facilities Fund – Schedule of Revenues, Expenditures and Other Financing Sources Compared to Budget (Modified Accrual Basis)	111
36	Parking Facilities Fund - Reconciliation of Modified Accrual to Full Accrual Basis	113
37	Transit Grants Fund – Schedule of Revenues and Transfers In and Expenditures and Transfers Out Compared with Authorizations (Modified Accrual Basis)	114
38	Transit Administration Fund – Schedule of Revenues, Expenditures and Other Financing Sources (Uses) Compared to Budget (Modified Accrual Basis)	116
39	Transit Fund – Reconciliation of Modified Accrual to Full Accrual Basis	117
40	Solid Waste Disposal Operating Fund – Schedule of Revenues, Expenditures and Other Financing Sources Compared to Budget (Modified Accrual Basis)	118
41	Solid Waste Management Construction Fund – Schedule of Project Expenditures and Other Financing Sources (Uses) Compared with Authorizations (Modified Accrual Basis)	119
42	Solid Waste Disposal Fund – Reconciliation of Modified Accrual to Full Accrual Basis	120
43	Civic Center Fund – Schedule of Revenues, Expenditures and Other Financing Sources (Use) Compared to Budget (Modified Accrual Basis)	121
44	Civic Center Fund – Reconciliation of Modified Accrual to Full Accrual Basis	122
45	Ballpark Fund – Schedule of Revenues, Expenditures and Other Financing Sources (Use) Compared to Budget (Modified Accrual Basis)	123
46	Ballpark Fund – Reconciliation of Modified Accrual to Full Accrual Basis	124

Table of Contents (continued)

<u>Exhibit:</u>		<u>Page:</u>
47	Storm Water Management Fund – Schedule of Revenues, Expenditures and Other Financing Sources (Uses) Compared to Budget (Modified Accrual Basis)	125
48	Storm Water Management Fund – Reconciliation of Modified Accrual to Full Accrual Basis	126
<u>ACCOMPANYING FINANCIAL SCHEDULES</u>		
A-1	General Fund - Schedule of Revenues and Other Financing Sources Compared to Budget	127
A-2	General Fund - Schedule of Expenditures and Other Financing Uses Compared to Budget	131
A-3	Schedule of Taxes Receivable by Fund	134
A-4	Housing Projects Fund – Schedule of Project Revenues, Expenditures and Other Financing Sources (Use) Compared with Authorization	135
A-5	Proprietary Special Assessments Receivable	136
A-6	General Fund Special Assessments Receivable	137
A-7	Schedule of General Obligation Bonds, Revenue Bonds and Certificates of Participation	138
A-8	Schedule of Long-Term Debt	144
<u>STATISTICAL SECTION</u>		
Government-wide Information:		
Table 1	Government-wide Expenses by Function	145
Table 2	Government-wide Revenues	147
Fund Information:		
Table 3	General Government Expenditures by Function	148
Table 4	General Government Revenues by Source	151
Table 5	Property Tax Levies and Collections	152
Table 6	Assessed and Estimated Actual Value of Taxable Property	154
Table 7	Property Tax Rates and Tax Levies – Direct and Overlapping Governments	155
Table 8	Principal Taxpayers	156
Table 9	Special Assessments Billings and Collections	157
Table 10	Ratio of Net General Obligation Bonded Debt to Assessed Value and Net Bonded Debt Per Capita	158
Table 11	Annual Debt Service Expenditures for General Bonded Debt Compared with General Government Expenditures	160
Table 12	Computation of Legal Debt Margin	161
Table 13	Computation of Direct and Overlapping Debt	162
Table 14	Revenue Bond Coverage – Urban Redevelopment Mortgage Revenue Bonds	163
Table 15	Demographic Statistics	164
Table 16	Property Value, Construction and Bank Deposits	165
Table 17	Miscellaneous Statistics	166

Table of Contents (continued)

<u>Exhibit:</u>		<u>Page:</u>
	<u>SINGLE AUDIT SECTION</u>	
	Schedule of Federal and State Awards	168
	Notes to the Schedule of Federal and State Awards	214
	Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	215
	Report on Compliance with Requirements Applicable to Each Major Federal Program and Internal Control over Compliance in accordance with applicable sections of OMB Circular A-133 and State Single Audit Implementation Act	217
	Report on Compliance with Requirements Applicable to Each Major State Program and Internal Control over Compliance in accordance with applicable sections of OMB Circular A-133 and State Single Audit Implementation Act	219
	Summary of Auditors' Results	221
	Schedule of Findings and Questioned Costs	223